



COUNTY OF LOS ANGELES

Public Health

JONATHAN E. FIELDING, M.D., M.P.H.
Director and Health Officer

CYNTHIA A. HARDING, M.P.H.
Chief Deputy Director

Substance Abuse Prevention and Control

John Viernes, Jr.
Director
1000 South Fremont Avenue
Building A-9 East, Third Floor
Alhambra, CA 91803
TEL (626) 299-4193 • FAX (626) 458-7637

www.publichealth.lacounty.gov



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July 12, 2013

TO: Each Health Deputy

FROM: John Viernes, Jr., Director
Substance Abuse Prevention and Control

SUBJECT: **NOTICE TO TERMINATE CONTRACT WITH GB MEDICAL SERVICES, INCORPORATED, A DRUG/MEDI-CAL AGENCY**

This is to inform you that on May 28, 2013, GB Medical Services, Incorporated, requested termination of their Drug Medi-Cal contract with the Department of Public Health (DPH) Substance Abuse Prevention and Control. Per their request, DPH terminated its agreement with GB Medical Services, Incorporated, on July 1, 2013. The agency is located in the Fourth Supervisorial District at 3505 Long Beach Boulevard, Suite 1F, Long Beach, California 90807. Attached is the letter to the agency regarding the termination.

As of July 1, 2013, GB Medical Services owed DPH a total of \$18,085 due to an uncollected cost report settlement and audit disallowances. DPH will forward a notice of this amount to the Treasurer and Tax Collector for follow up and collection.

If you have any questions or need additional information, please let me know.

JV:dd
13-29316

Attachment

c: Loreto Maldonado
Sharon Reichman
Cynthia A. Harding
Joshua Bobrowsky



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Benedicta Ilouno, Executive Director
GB Medical Services, Incorporated
3505 Long Beach Boulevard, Suite F
Long Beach, California 90807

Dear Ms. Ilouno:

This is in response to your May 28, 2013 letter, advising Substance Abuse Prevention and Control that your agency intends to surrender all services under County Agreement PH-001812, Exhibits A and B.

Your letter satisfies the 30-day written notice of termination required by the agreement. Therefore, your contract is terminated as of July 1, 2013.

Contract providers have several obligations after their contracts terminate. A summary of these obligations has been enclosed.

Thank you for providing services to Los Angeles county residents. If you have any questions or need additional information, please let me know.

Sincerely,

John Viernes, Jr., Director
Substance Abuse Prevention and Control

JV:dd
13-29316

Attachment

c: **Leo Busa**
Dorothy de Leon
Michael Kerr
Kevin Ong
Ronnie Thomas

**AGENCY RESPONSIBILITIES DURING AND FOLLOWING CONTRACT
TERMINATION**

Page 5 of the ALCOHOL AND DRUG SERVICES AGREEMENT reads in part:

In the event of any termination or suspension of this Agreement, Contractor shall:

A. Make immediate and appropriate plans to transfer or refer all participants served under this Agreement to other County alcohol and drug services providers (i.e., State certified Drug/Medi-Cal agencies) for continuing service in accordance with the participant's needs. Such plans shall be approved by Director, before any transfer or referral is completed, except in those instances, as determined by Contractor, where an immediate participant transfer or referral is indicated. In such instances, Contractor may make an immediate transfer or referral to the nearest provider of alcohol and drug services.

B. Immediately eliminate all new costs and expenses under this Agreement. New costs and expenses include, but shall not be limited to, those associated with new participant admissions. In addition, Contractor shall immediately minimize all other costs and expenses under this Agreement. Contractor shall be reimbursed only for reasonable and necessary costs or expenses incurred after receipt of notice of termination.

C. Promptly report to County in writing all information necessary for the reimbursement of any outstanding claims and continuing costs.

D. Provide to County's Department of Public Health (DPH), Financial Services Division, within forty-five (45) calendar days after such termination date, an annual cost report as set forth in the ANNUAL COST REPORT Paragraph of the ADDITIONAL PROVISIONS, attached hereto.

Our Financial Division, will further advise you under separate cover of the cost report requirement.

In addition, the agency, as stated in the Additional Provisions of the contract, is responsible for the following:

A. [Participant] records shall be retained for a minimum of five (5) years following the expiration or termination of this Agreement, or until Federal, State, and/or County audit findings applicable to such services are resolved, whichever is later, and shall be retained by Contractor at a location in Los Angeles County, or with prior written authorization by Substance Abuse Prevention and Control in any other Southern California location, and shall be made available at reasonable times to authorized representatives of Federal, State and County governments during the term of this Agreement and during the period of record retention for the purpose of program

review and/or fiscal audit. In addition to the requirements set forth under this Paragraph, Contractor shall comply with any additional record requirements which may be included in the Exhibit(s) attached hereto. (Page 32 of the Additional Provisions of the Agreement).

B. Preservation of Records: If following termination of this Agreement Contractor's (parent) facility is closed or if ownership of Contractor changes, within forty-eight (48) hours thereafter, the Director of SDADP and the Director shall be notified thereof by Contractor in writing and arrangements shall be made by Contractor, when requested by Director, to transfer to County all service, financial, participant, personnel, and any other related records and reports, referred to hereinabove and any service records in any of the Exhibit(s) incorporated herein for preservation. (Page 36 of the Additional Provisions of the Agreement).